



July 31, 2015

Office of the Director  
Florida Medicaid Services  
Agency for Healthcare Administration  
2727 Mahan Drive  
Tallahassee, FL 32308

Dear Sir:

Lake Wales Medical Center believes it is in compliance with the requirements of Chapter 409, Florida Statutes. Lake Wales Medical Center does not believe it is a party to any contractual arrangements with MMS Plans that contain Medicaid fee schedules that are at or above 120% of the Medicaid fee schedule that were entered into after AHCA's implementation of the Managed Medicaid Assistance program. Out of an abundance of caution, Lake Wales Medical Center does believe that some of its contracts that pre-date the State's implementation of its Medicaid Managed Medical Assistance program contain terms that are not tied to Medicaid Allowable rates that may result in reimbursement in individual cases at rates higher than 120% of the Medicaid fee schedule. Examples of these terms include provisions governing the reimbursement of implants, high cost drugs, and high tech radiology. Our Hospital is currently engaged in renegotiating these pre-program contracts and expects to have them completed by no later than the fourth quarter, 2015.

Should you have any further questions regarding the above, please contact me at (863) 676-1433, extension 6805.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew D. Howard", written over a horizontal line.

Andrew D. Howard, MSHA, FACHE  
Chief Executive Officer